



John Gebhart  
Chairman & CEO

# **Provider Quality Information Overview**

*June 12, 2003*

# Agenda

- ❑ Introduction
- ❑ Company Overview
- ❑ MyQualityCoach Provider Databases and Quality Data

*...Goal: to provide a brief overview of who we are ,  
availability of quality data, and receptivity by providers  
and consumers of this data.*

# Company Profile

- ❑ Founded in 1999, venture capital financed
- ❑ Strong Customer Base
- ❑ Nationally Recognized Board of Directors in Health Quality
- ❑ Seasoned Management Team

*.....Our mission is to provide industry leading tools, information, and solutions that vastly improve patient safety, quality, and outcomes.....*

- **Healthcare Company That Uses Technology to improve healthcare quality and safety**
- **Hospital and Physician selection tool**
- **Proven Hospital Incident Collection Platform**
- **Largest Database of Errors and Near Misses**

# Core Products

The logo for RPM Risk Prevention and Management System. It features the letters "RPM" in large, bold, yellow font on a blue background. To the right of "RPM", the words "Risk Prevention and Management System" are written in a smaller, white font, with a trademark symbol (TM) at the end.

**RPM** | Risk Prevention and Management System™

**A patient safety program that enables health care institutions to infuse a successful culture of non-punitive, event reporting, identify, track, and analyze medical adverse events and near misses, compare their events to institutions across the nation and improve the processes that lead to these events.**

The logo for MYQUALITYCOACH. It features a stylized "Q" icon inside a square frame, followed by the text "MYQUALITYCOACH" in a bold, sans-serif font. The entire logo is set against a gradient background of orange and yellow.

 **MYQUALITYCOACH™**

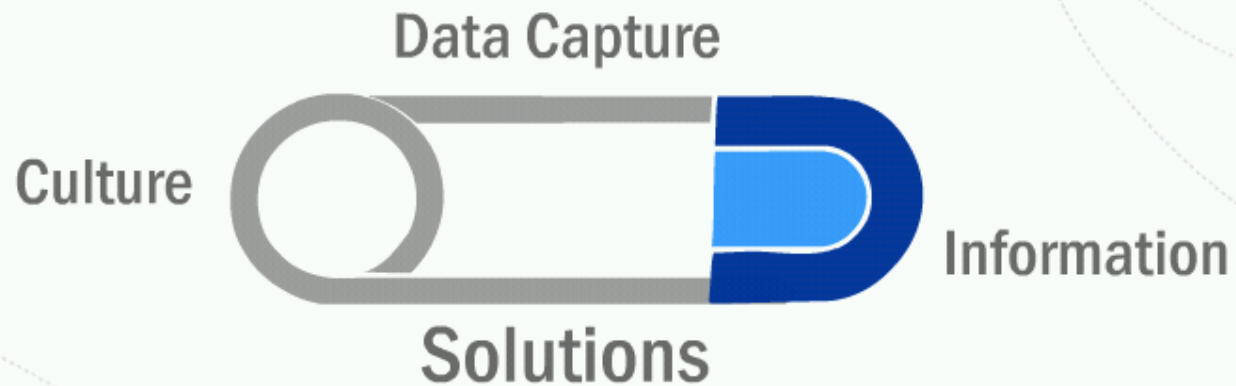
**A suite of healthcare decision support tools that enable consumers to navigate the complex healthcare system and play a more active role in healthcare decisions**

# Facts About Medical Errors

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- 44,000 - 98,000 patients killed annually
- Only 5% errors are reported
- Errors and poor quality costing \$140 billion/year
- States beginning to require error reporting
  - New York – NYPORTS
  - Pennsylvania – Patient Safety Authority
- Errors occur due to weaknesses in process

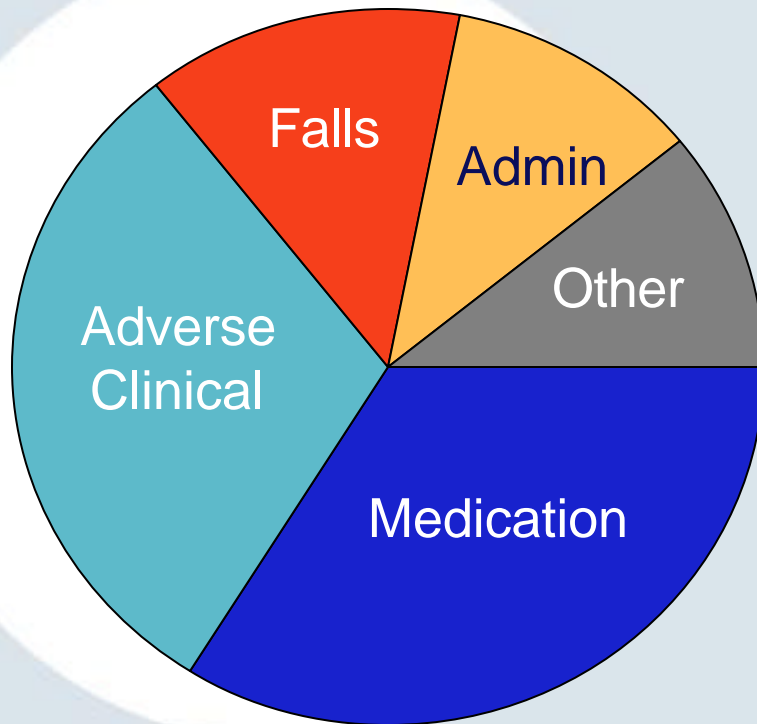
Solutions become clear ...  
once you've **pinned down** the problem™



# National Medical Error Database

## 80K errors/near misses and growing

### Error Type



### Level of Impact

- 42.8% Near Miss
- 56.5% Temporary Harm
- 0.7% Permanent Harm or Death

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# Medical Error Reporting *FAQ*

- Why would anyone want to report errors?
- Won't error reporting lead to lawsuits?
- Who would want to report on a co-worker?
- Does this offend doctors?

# MyQualityCoach™

- Online consumer decision-support system
- Choose physicians and facilities based on *quality* and *satisfaction*
- Encourages consumers to rate their doctors
- Doctors and hospitals can represent their standard of care and other practice data

# MyQualityCoach and Consumers

- ❑ Healthcare becoming more “consumer-centric”
  - 87% would choose a different hospital based quality
  - 82% would choose a different doctor based quality
  - 97% say info on evidence-based treatment would influence care selection
  
- ❑ Employer market demanding consumer decision support tools and quality information
  - Employees want to make informed decisions
  - Network size taking back-seat to network quality

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#### LATEST NEWS

Updated: 5:16 PM EDT  
Thursday, Sep 10, 2002

From the September 13, 2002 print edition

→ [More Print Edition Stories](#)

## Blue Cross to reward hospitals for quality

John George Staff Writer

Independence Blue Cross is dangling new financial rewards for hospitals that can deliver specific performance quality standards and, as a result, keep costs down.

For health systems with multiple hospitals, the



\* PHC4

# MyQualityCoach Customers



**Briggs & Stratton**



**Destiny Health**

**Pepsico**



**Mack Trucks**



**Lumenos**



**Horizon BCBS**



**PatientChoice**

## Additional Clients

- **Badger Meter**
- **Fresco**
- **Health Market**
- **Bethlehem Steel**
- **Binney & Smith**
- **PCHI**

# MyQualityCoach™



- Information on 750,000 physicians & all hospitals
- Customized medical information for employees/members
- Secure, personalized password-protected



# MQC Exclusive Physician Ratings

- Patients provide feedback on satisfaction
- Comparative results available to members

MyQualityCoach - Microsoft Internet Explorer

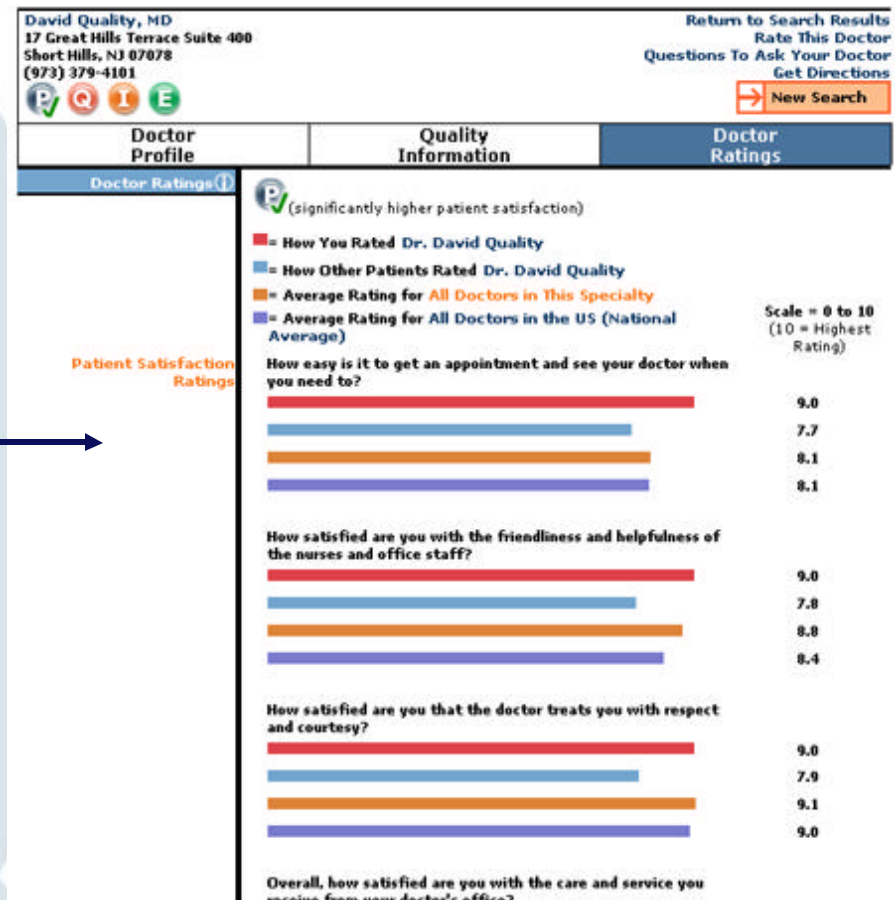
## Rate This Doctor

David Quality, MD  
17 Great Hills Terrace  
Suite 400  
Short Hills, NJ 07078  
(973) 379-4101

In the space below, please rate your overall experience with your doctor. When completed, click the submit button.

1. How easy is it to get an appointment and see your doctor when you need to?
2. How satisfied are you with the friendliness and helpfulness of the nurses and office staff?
3. How satisfied are you that the doctor treats you with respect and courtesy?
4. Overall, how satisfied are you with the care and service you receive from your doctor's office?

You can also rate your doctor on how he/she treated your specific condition(s). Please select the conditions on which you want to rate your doctor and then click submit to continue.

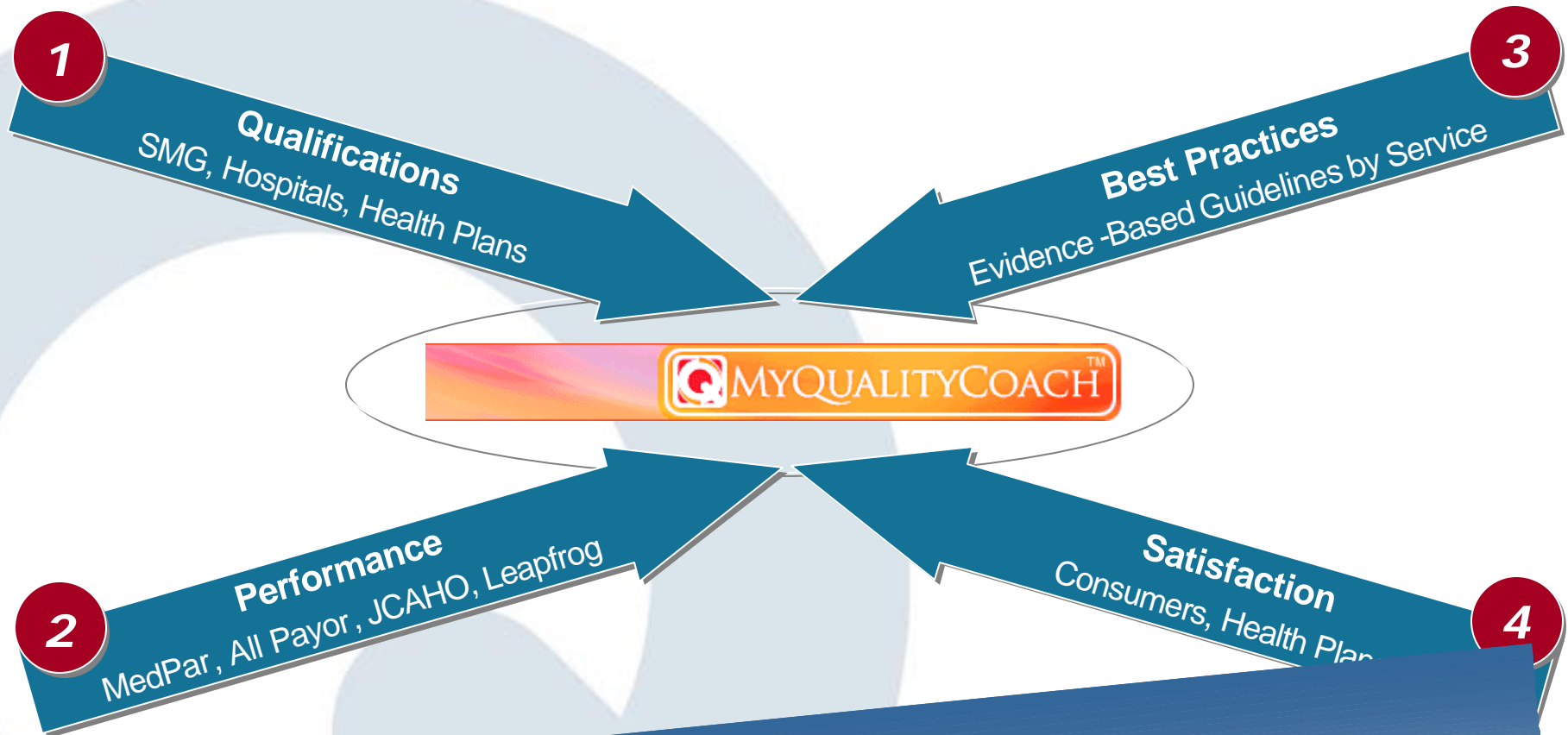


# MyQualityCoach Modules

- **MyHealthProviders**
  - Quality and Profile Data About Physicians and Hospitals
  - Experience Ratings From Consumers
- **MyHealthRisk Assessment**
- **MyHealthGuides**
  - Best Practice Guidelines for Consumers Around 70 Conditions
  - Questions to Ask Your Physician
- **Health Tools and Libraries**
  - General Health Content



# Integrated Hospital Information



*... MyQualityCoach incorporates multiple streams of information, supporting consumer hospital decisions based on quality data ...*

# Hospital Registration

**Hospitals encouraged to review and update profile:**

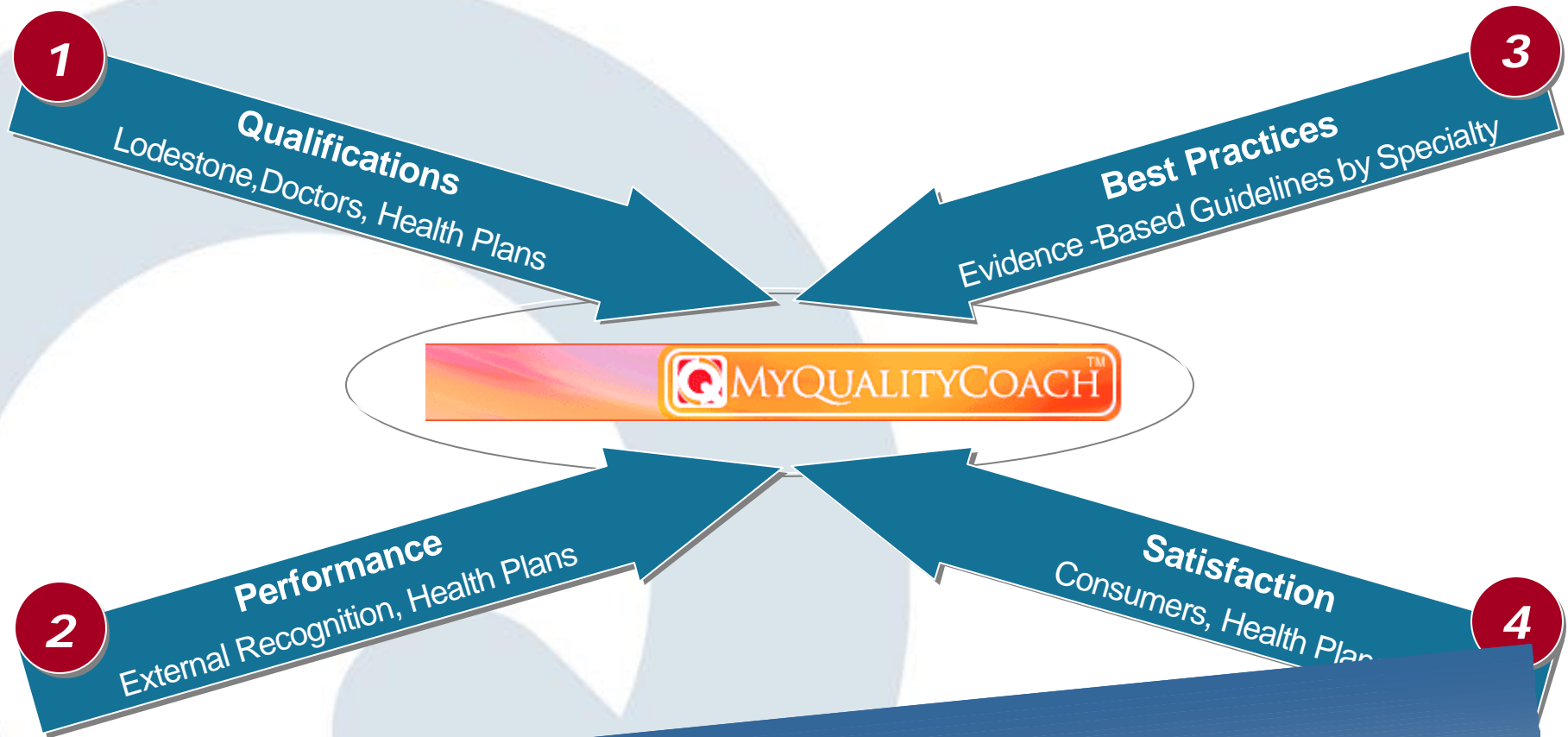
- ☐ **Background Information**  
Address, hospital description, affiliations, profit status, teaching programs, accreditations
- ☐ **Bed Size, Volume, and Staffing**
- ☐ **Hospital Services**
- ☐ **Recognition**  
Certifications, designations, articles/research, community service
- ☐ **Best Practices**  
Evidence-based best practices by hospital service

# Risk Adjustment Methodology

**The MedPar and All Payor data within MyQualityCoach is risk-adjusted using the Disease Staging® methodology**

- ☐ **Broad acceptance as means of measuring severity of > 600 disease states**
- ☐ **Assumes stage-like progression of disease:**
  - Stage 1: no complications, minimal severity
  - Stage 2: disease limited to single organ/system
  - Stage 3: multiple sites/systemic, poor prognosis
  - Death
- ☐ **Groups patients by disease and severity to forecast medical outcomes and resource use**

# Integrated Doctor Information



*... MyQualityCoach incorporates multiple streams of information, but individual doctor performance data is not widely accessible ...*

# Doctors Registration

**Doctors encouraged to review and update profiles, modeled after CAQH credentialing application standard**

- ☐ **Personal Information**
- ☐ **Education and Training**
- ☐ **Medical Specialty**
- ☐ **Practice Locations**
- ☐ **Affiliations**
- ☐ **Recognition**
- ☐ **Internet Readiness**
- ☐ **Practice Guidelines**

# Wall Street Journal

October 19, 1998

Continued

- “In a competitive world, report cards are a snapshot about performance and they give you guidance about where to go to make improvements.” - Dr. David Nash, associate dean and director of health policy and clinical outcomes at Thomas Jefferson University Hospital
- “We know we’re under a microscope, but it has helped us to move forward.” - Dr. David Gordon, cardiac surgeon, Lehigh Valley Hospital.

\* PHC4

# Wall Street Journal Article-- October 19, 1998

Continued

## *How ratings have changed for Lehigh Valley Hospital, Allentown, PA*

<i>Year</i>	<i>No. of Bypass Cases</i>	<i>No. of Deaths</i>	<i>Expected No. of Deaths</i>	<i>Rating<sup>1</sup></i>	<i>Pct. Change in Costs</i>
1990	920	46	20.7 to 40.7	-	N.A.
1991	903	33	26.3 to 46.4	=	+13.9%
1992	907	20	27.9 to 49.1	+	+9.9%
1993	822	20	18 to 35	+	+3.5%
1994-95 <sup>2</sup>	1,657	38 <sup>3</sup>	40 to 65 <sup>3</sup>	+	-9.4%

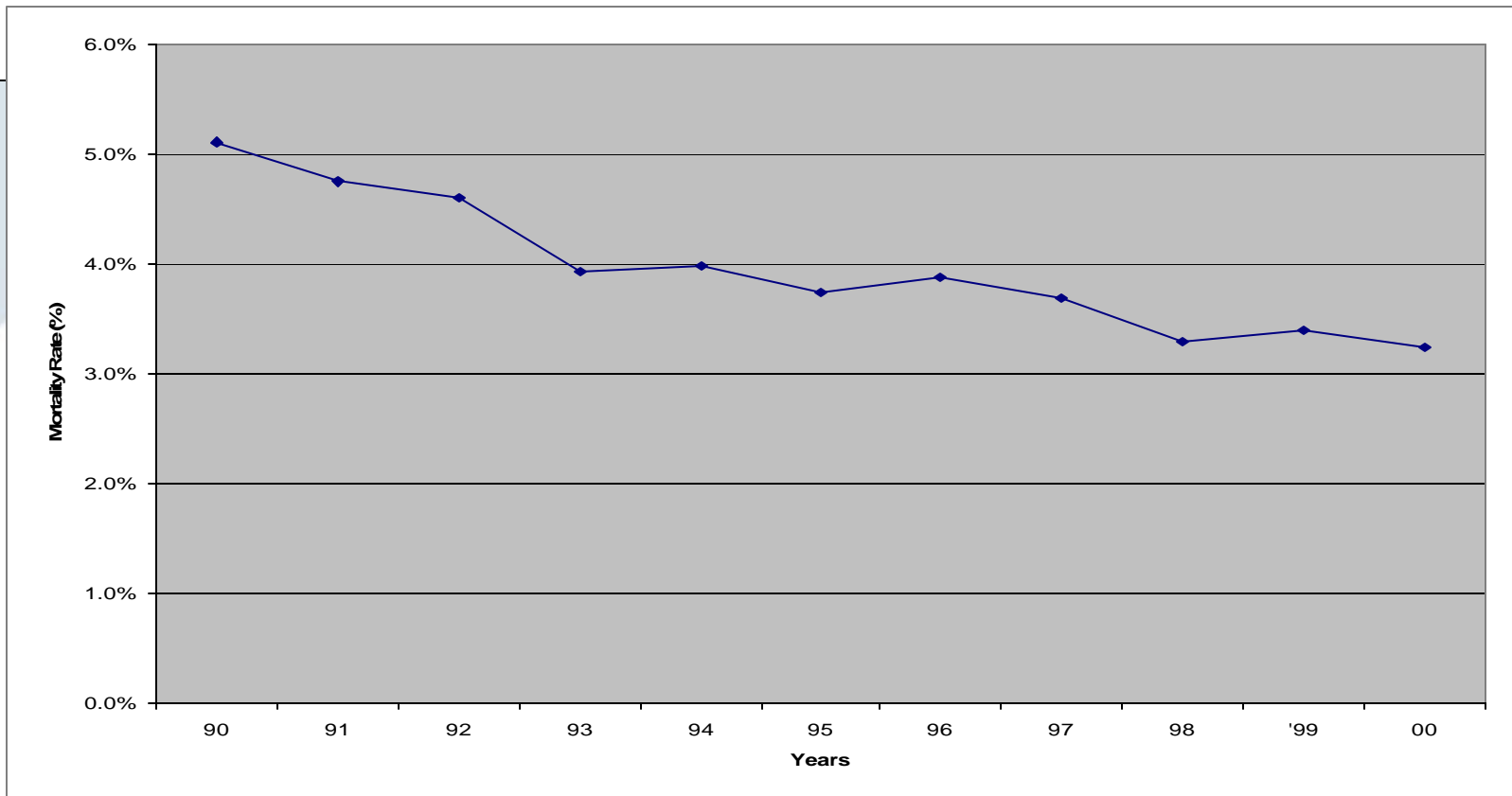
(-) denotes a higher death rate than expected; (=) death rate within the expected range; (+) lower death rate than expected.

3 For 1994-95, the state reported deaths (2.3%) and expected deaths (2.4% to 3.9%) as percentages of the number of cases.

Wall Street Journal, October 19, 1998

\* PHC4

# CABG Mortality Rate 1990-2000



**In-hospital mortality has decreased  
-13% lower than in 1995**

\* PHC4



# **What Others Are Saying About PHC4**

**The heart bypass report “appears to be taken seriously by hospitals and purchasers.” Several hospitals have publicly commented that the information encourages them to examine their care processes and make quality improvements.**

**Physicians News Digest, June 2002  
(<http://www.physiciansnews.com/cover/602.html>)**

# What Others Are Saying About PHC4

**“The independent Health Care Cost Containment Council” findings earned “a serious response.”**

- The Philadelphia Inquirer, editorial about a respected medical center’s sub-par performance.

**“When it comes to choosing a heart surgeon, Pennsylvania is on the cutting edge in helping consumers pick the right one.”**

- Dan Rather, The CBS Evening News

# DoctorQuality, Inc.

## *Making Medicine Work Better<sup>TM</sup>*

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